

AIR FORCE SERIOUSLY PURSUING FUEL PLANT

By Peter Johnson

The Air Force is seriously considering a partnership in which a potential commercial interest could build a 20,000 to 30,000 barrel a day coal-to-liquid-fuel plant at Malmstrom Air Force Base as early as 2011.

The plant, which would be financed and operated privately, is still in the early planning stages, "with a lot more wickets to pass through before it gets a green light," Assistant Air Force Secretary for Installations, Environment and Logistics William Anderson said Wednesday.

His press briefing followed a closed two-hour meeting with community elected officials and business leaders.

City Manager John Lawton said the 20 local officials attending "showed significant interest in the proposal, but it's probably too early for us to stake out a position until we get more information."

Anderson said the Air Force, the government's largest user of energy, is committed to finding alternative fuel sources that will reduce the nation's dependence on overseas oil.

The Air Force is converting its jets to use synthetic fuel, he said. Montana Gov. Brian Schweitzer also is a major supporter of coal-to-liquid-fuel technology.

"Our interests are in line and parallel," said Anderson.

He added that the governor and Montana's congressional delegation asked for the Air Force's help in finding a suitable second mission for Malmstrom beyond operating Minuteman missiles.

The Air Force could lease 700 "under-utilized acres" at Malmstrom to a private company to build and operate the plant, with the fuel being sold to the Air Force and commercial interests, Anderson said. The plant would sit on about 400 acres, with the other 300 acres serving as a buffer between it and base housing and base operations.

The 700 acres include where the base's runway and flight operations buildings sit, but Anderson said the Air Force has no plans to reopen the runway.

"The Air Force has no flying mission identified either today or in the future for Malmstrom," he said, adding that it would take "many, many millions of dollars" to repair the runway and bring back an air control tower, lights and navigation aids.

Local and congressional supporters may keep pushing to reopen the runway, Anderson said, "but I can only speak on reality and the fact is there are no flying missions for the runway."

The delegation and local military leaders are advocating an active-associate wing in which active-duty pilots and mechanics — along with additional jets —would be sent to Great Falls to be trained by more experienced Montana Air National Guard personnel. Under the proposal, the active-duty folks would stay at Malmstrom and use Gore Hill facilities for training. In the long run, supporters hope the Air Force would station more planes and personnel at Malmstrom to make better use of the area's unrestricted flight training space.

Attorney Warren Wenz, a long-time leader in the Chamber of Commerce Committee of 80 military lobbying group, said it was good to hear Anderson say the goal would be for the synthetic fuel plant to be "completely clean and green, or they won't build it."

Military backers are concerned that the buffer area of the proposed plant would cross the southern portion of Malmstrom's runway and greatly restrict its use for possible flying missions, he said.

"But we're also interested in moving Great Falls forward, and if this plant, in fact, would produce several hundred good-paying jobs, we'd be foolish not to consider it," Wenz said.

He said Anderson told him the Air Force would consider the possibility of swapping the land near the runway for other property nearby to build the power plant, provided it made sense for the Air Force.

That would preserve the option of using the Malmstrom land for a flying mission or other development, Wenz said. He added that no local groups have proposed such a swap yet.

Anderson said the high price of oil and the improved environmental aspects of synthetic fuel could make it a good alternative fuel.

"This can be and must be an environmentally friendlier alternative than anything offered today," he said, adding it would include capturing carbon and re-using it commercially.

The Air Force plans to schedule an industry day early next year in which bankers, builders and operators of synthetic fuel plants can look at the infrastructure Malmstrom has available. Soon after that, the Air Force would put out a request for specific proposals, and evaluate where to go next, Anderson said.

The Air Force will consider a lot of factors, including company proposals, finances, environmental issues and state plant siting review, before deciding whether to approve the plant, Anderson said.

"It's a national strategic and security imperative that we wean ourselves from our addiction to foreign oil," he said, adding that the Air Force wants to be a player because it consumes 10 percent of the nation's jet fuel.

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